

Opening Statement
Chairman Michael G. Oxley
Financial Services Committee

Subcommittee on Oversight and Investigations

**“The Hunt for Saddam’s Money:
U.S. and Foreign Efforts to Recover Iraq’s Stolen Money”**

March 18, 2004

I commend Mrs. Kelly, Chairman of the Subcommittee on Oversight and Investigations and Vice Chairman of the Committee on Financial Services for her leadership and commitment to repatriating assets to the people of Iraq. This is our second hearing on the issue, and our goals are to support the U.S. government effort and to ensure that it is working as effectively as it can to return stolen Iraqi funds.

The United States has a long and proud history of liberating nations from tyranny and supporting new democracies. An important part of supporting the new democracy in Iraq is returning Hussein’s pilfered cash. In today’s hearing, we look forward to testimony from the U.S. Department of the Treasury, the U.S. Department of State, and the General Accounting Office regarding our progress in this area.

The behavior of the former Iraqi government officials with respect to the Oil-for-Food program displayed complete disregard for basic human need and total contempt for the United Nations. It was really the oil for Saddam program, the oil for palaces program. Iraqis starved while he spirited billions of U.N. funds out of Iraq for personal gain. We cannot permit those funds to remain frozen in bank accounts throughout the world. Some of those funds may also have been invested in companies in violation of the U.N. sanctions, occasionally in companies created expressly for the purpose of evading U.N. sanctions. Banks and other intermediaries should not be permitted to hold assets indefinitely on their balance sheets without returning them to their rightful owners: the people of Iraq.

Those assets are needed urgently to help rebuild Iraq, and our purpose today is to assess our progress toward that goal.

I understand that the Coalition Provisional Authority in Iraq, the Iraqi ministries, and various U.S. government entities are working hard to ensure that funds illegally diverted from Iraq are returned. Many of these people are civilians placing their lives on the line each day in Iraq. I commend their efforts and, together with Vice Chairman Kelly, am working with the CPA and today’s witnesses to help ensure the identification, isolation, and repatriation of these assets.

Our commitment to due process creates a number of challenges in the worldwide financial system. I believe these challenges can be met, especially if the different parts of the U.S. government can work together collaboratively. Much progress has been made on the inter-agency issues identified in last year’s hearing, but I understand more progress is needed.

Oxley, page two
March 18, 2004

Just as we need inter-agency cooperation, we need international cooperation. As our representative to the G-7, Secretary Snow is doing everything he can to foster that.

Make no mistake, though, without President Bush's commitment, this project never would have been undertaken. While much remains to be done in returning assets to Iraq, let's not forget that much has been accomplished against great odds. I commend Mrs. Kelly for focusing on this issue and hope today's hearing can serve as a catalyst for additional repatriation of stolen government funds.

###